

Legislative Fiscal Bureau

Fiscal Note

HF 2618 - Rural Fire Department Funding (LSB 6172 HZ)

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Fiscal Note Version - New

Description

House File 2618 creates a Volunteer Fire Fighter Pension Fund. The fund is financed through a diversion from the General Fund of up to \$5.0 million in insurance tax receipts, starting in FY 2005. The Bill also creates a Volunteer Fire Fighter Pension Task Force to report to the General Assembly by January 1, 2003.

Assumptions

1. Insurance premiums collected on property and casualty policies subject to Iowa insurance premium tax will generate taxes in excess of \$5.0 million per year.
2. The cost of the Task Force, including expenses and staff time for the Legislative Fiscal Bureau, the Legislative Service Bureau, and the Department of Management will total \$25,000 or less in FY 2003.

Fiscal Impact

House File 2618 will reduce General Fund revenues by \$5.0 million per year, beginning in FY 2005. The cost of the Volunteer Fire Fighter Pension Task Force will be \$25,000 or less in FY 2003.

Sources

General Fund Receipt Reports
Legislative Fiscal Bureau Analysis

/s/ Dennis C Prouty

April 8, 2002

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.
